U.S. DEPARTMENT OF THE INTERIOR
Minerals Management Service
Royalty Management Program

PAYOR IDENTIFICATION BLOCK
Payor Name and Code:
Accounting ID No:
Selling Arrangement Code:
Facility ID No:
Segment ID No:
Period: 19 to 19

SCHEDULE 1C -- ALLOWANCE FOR NON-ARM'S-LENGTH TRANSPORTATION OF GAS LIQUIDS AND SULFUR FROM THE LEASE TO THE GAS PROCESSING PLANT

Liquids

(a) Product	(b) Gallons of Liquids Sold	(c1) Volume 1/ Factors Mcf/Gallon (14.73 psia)	(c2) Volume 1/ Factors Mcf/Gallon (15.025 psia)	(d) Volume of Liquids in Mcf (b)x(c)	(e) Allowance per Mcf (Line 9h Schedule 1)	(f) Product Allowance (d)x(e)	
Ethane		0.039608	0.038831			$	1
Propane		0.036416	0.035701				2
Isobutane		0.030829	0.030223				3
N-butane		0.031527	0.030908				4
Pentanes		0.027437	0.026898				5
Hexane		0.024244	0.023768				6
Heptane		0.021550	0.021127				7
Pentanes and Heavier		0.024044	0.023572				8
Other							9
Other							10
Totals						$	11
				Allowance Rate/Gallon (line 11f ÷ line 11b)		$	12

Sulfur

(a) Tons of Sulfur Sold	(b) Plant 2/ Recovery Factor	(c) Tons of Sulfur in Gas Stream (a) ÷ (b)	(d) Volume (Mcf) 3/ of H_2S in Gas Stream (c) x 26.207682	(e) Allowance per Mcf (line 9h Schedule 1)	(f) Sulfur Allowance (d x e) ÷ a	
					$	13

1/ Petroleum Refinery Engineering. Fourth Edition, McGraw Hill (1958).

2/ To be based on actual plant sulfur recovery experience.

3/ Based upon PV = ZNRT Mcf at 60° F, 14.73 psia, 94.08467 Wt% S in H_2S. For Gulf of Mexico leases use a volume factor of 25.693121

THIS INFORMATION SHOULD BE CONSIDERED (Please check one) ☐ PROPRIETARY ☐ NONPROPRIETARY

INSTRUCTIONS FOR COMPLETING FORM MMS-4295, SCHEDULE 1C

Schedule 1C is used to determine an allowance for transporting Natural Gas Liquids (NGL's) or Sulfur from a lease to a processing facility.

Complete the payor identification block (see Schedule 1A instructions).

Compute the transportation allowance rate for NGL's as follows:

a. Identify the liquid products produced.

b. Enter the gallons of liquids sold.

c. Enter the volume factor (Mcf/Gallon) if the volume factor used by the payor is other than listed. Use column c1 or c2 for 14.75 psia or 15.025 psia, respectively.

d. Compute the volume of liquids in Mcf by multiplying columns b and c1 if the gas is produced from other than a Gulf of Mexico OCS lease. If the gas is produced from a Gulf of Mexico OCS lease multiply columns b and c2.

e. Enter the allowance per Mcf from line 9h, Schedule 1.

f. Compute the product allowance value by multiplying column d by column e.

Sum columns b and f and enter on line 11b and 11f, accordingly. Compute the allowance rate, using six decimal places, for NGL's by dividing the total allowance (line 11f) by the total volume of liquids sold (line 11b). Enter on line 12 of Schedule 1C and line 10h of Schedule 1.

Compute the transportation allowance rate for sulfur as follows:

a. Enter the total volume of sulfur (in long tons) marketed during the reporting period.

b. Enter the sulfur recovery factor for the plant. This shall be based on actual plant sulfur recovery experience.

c. Compute the tons of sulfur in the gas stream by dividing column a by column b.

d. Enter the volume (Mcf) of H_2S in the gas stream. This volume is determined by multiplying column c by the conversion factor 26.207682 for gas produced from other than Gulf of Mexico OCS leases and 25.693121 for Gulf of Mexico OCS leases. If the payor uses a conversion factor other than 26.207682, note the factor used in computing the volume of H_2S.

e. Enter the transportation rate for transporting gas from the lease to the plant from line 9h, Schedule 1.

f. Determine the sulfur allowance rate per ton, using six decimal places, by dividing the product of columns d and e by column a.

Enter the sulfur allowance per ton on line 10g of Schedule 1.

Indicate by checking the appropriate box whether the information should be